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STATE OF IDAHO } ss
COUNTY OF KOOTENAI
FILED: 4-18-03
AT 2:19 O'CLOCK PM
CLERK, DISTRICT COURT
Merri Thorne
DEPUTY

**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR KOOTENAI COUNTY**

STATE OF IDAHO, DEPARTMENT
OF FINANCE, SECURITIES BUREAU,

Plaintiff,

vs.

MORTGAGE UNDERWRITERS, LLC,
a/k/a MORTGAGE UNDERWRITER, LLC,
formerly an Idaho limited liability company
d/b/a NEVERLOSEAGAIN.COM; and
ROBERT KEVIN MYERS, an individual,

Defendants.

Case No. CV03-1994

**JUDGMENT AGAINST
MORTGAGE UNDERWRITERS,
LLC**

Defendant Mortgage Underwriters, LLC, a/k/a/ Mortgage Underwriter, LLC, formerly an Idaho limited liability company d/b/a/ NeverLoseAgain.Com (Mortgage Underwriters, LLC) having been regularly served with process, and having failed to appear and plead to or answer

Plaintiff's Verified Complaint filed herein in the manner required by law, and the legal time for answering having expired;

NOW, THEREFORE, THE COURT HEREBY FINDS that Defendant Mortgage Underwriters, LLC has violated the Idaho Securities Act as alleged in Plaintiff's Verified Complaint filed in this action, and ORDERS, ADJUDGES AND DECREES as follows:

INJUNCTIVE RELIEF:

Defendant Mortgage Underwriters, LLC, is permanently enjoined from engaging in any acts, practices or omissions which would constitute violations of the Idaho Securities Act, Title 30, Chapter 14, Idaho Code, and in particular, is permanently enjoined from:

- A. Selling or offering for sale nonexempt securities in any form in the state of Idaho until such time as such securities have been registered with the Idaho Department of Finance;
- B. Selling or offering for sale nonexempt securities in any form in the state of Idaho until such time as said Defendant is registered with the Idaho Department of Finance as a broker-dealer or salesmen for a broker-dealer or issuer, in accordance with Title 30, Chapter 14, Idaho Code;
- C. While engaged in or in connection with the offer, sale, or purchase of any security:
 - (1) Employing any device, scheme or artifice to defraud any investors or prospective investors;

- (2) Making any untrue statement of material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading;
- (3) Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;
- (4) Aiding, abetting, counseling, inducing or causing any other person to engage in any of the types of conduct described in paragraphs (C)(1), (C)(2), or (C)(3) above.

Defendant Mortgage Underwriters, LLC is further prohibited from claiming the availability of, using or offering or selling securities under any exemptions under the Idaho Securities Act without receiving the prior written consent of the Director of the Idaho Department of Finance.

MONEY JUDGMENT:

The Plaintiff is hereby awarded a money judgment against Mortgage Underwriters, LLC, in the total amount of \$304,000, which includes \$244,000 in restitution for the victims of said Defendant's violations of the Idaho Securities Act, pursuant to Idaho Code § 30-1442(3)(a); \$50,000 as a civil penalty pursuant to Idaho Code § 30-1442(3)(b) for five (5) counts of violation of the Idaho Securities Act as set forth in the Plaintiff's Verified Complaint; and \$10,000 in

attorney fees and costs incurred in the preparation and prosecution of this action and reimbursement for investigative efforts, pursuant to Idaho Code § 30-1442(3)(c).

DATED this 18th day of April, 2003.

JOHN T. MITCHELL

District Judge

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18 day of April, 2003, I served a true and correct copy of the foregoing JUDGMENT AGAINST MORTGAGE UNDERWRITERS, LLC, by depositing the same in the United States Mail, postage prepaid, in an envelope addressed to:

A. René Martin
Deputy Attorney General
State of Idaho
Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

Mortgage Underwriters, LLC
7950 Meadowlark Way, Suite A
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